



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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June 15, 2007

Claire Bailey, Director  
Department of Information Systems  
One Capitol Mall  
P.O. Box 3155  
Little Rock, AR 72203

Re: Advisory Opinion #483-07-07

Dear Ms. Bailey:

This letter is in response to your request for an advisory opinion in accordance with ACA § 19-11-715(b). Your request for an advisory opinion is based on the following facts:

- 1) Srinivasa Rao Bande, currently an employee of Ciber, Inc. contracts his services to the Department of Workforce Services (DWS).
- 2) Mr. Bande owns two businesses a) SAI Subsay Stores, Inc., a restaurant and b) SAI Strategic Solutions, Inc., a software consultancy business.
- 3) SAI Strategic Solutions, Inc. has two employees in addition to Mr. Bande and all three sub contract services through Protech Solutions, Inc. to the Office of Child Support Enforcement.
- 4) DWS has encouraged DIS to hire Mr. Bande so that he can continue to provide services to DWS, as a state employee rather than as a contractor.
- 5) You are requesting an advisory opinion to determine whether and/or under what restrictions Mr. Bande may become an employee of DIS.

Under Governor's Executive Order #98-04 Section 4.A. **Prohibited Contracts**, "agencies are prohibited from entering into, extending, amending, or renewing professional or consultant services contracts with state employees who are paid from extra help or regular salaries." (emphasis added). Accordingly, whether a state employee enters into a professional consultant services contract with an agency or conversely a contractor providing professional consultant services begins work as an employee, the result is the same, and either combination is prohibited by executive order.

If Mr. Bande becomes an employee of the State he must stop providing all professional consultant services to the State. He may retain his interest in the ownership of his companies as long as that interest is placed in a blind trust in accordance with ACA § 19-11-705(b) **Employee conflict of interest**. Also, he must not have any direct involvement in the company's professional consultant service business dealing with the State.

This advisory opinion is issued in accordance with Arkansas Code Annotated § 19-11-715 (b) and compliance with the above course of conduct is deemed to constitute compliance with the ethical standards of the Act and Governor's Executive Order #98-04

Sincerely,

Richard A. Weiss  
Director

cc: Joe Giddis, Office of State Procurement